

Naval War College
Newport, R.I.

Theater Engagement Planning: The Role for Economics

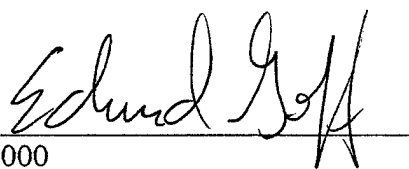
by

Edward Goff

FSO-1, U.S. Department of State

A paper submitted to the Faculty of the Naval war College in partial satisfaction of the requirements of the Department of Joint Military Operations.

The contents of this paper reflect my own personal views and are not necessarily endorsed by the Naval War College or the Department of the Navy.

Signature: 
15 May, 2000

Advisor: Dr. Richmond M. Lloyd

DISTRIBUTION STATEMENT A
Approved for Public Release
Distribution Unlimited

DISTRIBUTION STATEMENT A
Approved for Public Release
Distribution Unlimited

DTIC QUALITY INSPECTED 4

20000914 067

1. Report Security Classification: UNCLASSIFIED			
2. Security Classification Authority:			
3. Declassification/Downgrading Schedule:			
4. Distribution/Availability of Report: DISTRIBUTION STATEMENT A: APPROVED FOR PUBLIC RELEASE; DISTRIBUTION IS UNLIMITED.			
5. Name of Performing Organization: JOINT MILITARY OPERATIONS DEPARTMENT			
6. Office Symbol: NWC Code 1C		7. Address: NAVAL WAR COLLEGE 686 CUSHING ROAD NEWPORT, RI 02841-1207	
8. Title (Include Security Classification): (U) Theater Engagement Planning: The Role for Economics			
9. Personal Authors: Edward Goff, U.S. Department of State			
10. Type of Report: FINAL		11. Date of Report: 16 May 2000	
12. Page Count: 24		12A. Paper Advisor (if any): Dr. Richmond M. Lloyd	
13. Supplementary Notation: A paper submitted to the Faculty of the NWC in partial satisfaction of the requirements of the JMO Department. The contents of this paper reflect my own personal views and are not necessarily endorsed by the NWC or the Department of the Navy.			
14. Ten key words that relate to your paper: TEP, Theater Engagement, Economic Policy, State Department, IWG, military governments			
15. Abstract: From ancient Rome to modern Nigeria, armed forces have dominated governments and thus dominated economic policy. As a favorable international economic environment is a core strategic objective of the United States, it makes sense to engage militaries in a constructive dialogue about economic policy, whether or not they physically control the seat of power. Since it is often problematic for civilian diplomats to engage on economic policy with military officers, it makes sense for economic engagement to be conducted, at least in part, through military-to-military channels. This paper suggests a pragmatic approach based on the Theater Engagement Planning process and coordination across agencies using a high level mechanism such as an IWG.			
16. Distribution / Availability of Abstract:	Unclassified X	Same As Rpt	DTIC Users
17. Abstract Security Classification: UNCLASSIFIED			
18. Name of Responsible Individual: CHAIRMAN, JOINT MILITARY OPERATIONS DEPARTMENT			
19. Telephone: 841-3262		20. Office Symbol: NWC Code 1C	

Security Classification of This Page Unclassified

Abstract of

THEATER ENGAGEMENT PLANNING: THE ROLE FOR ECONOMICS

From ancient Rome to modern Nigeria, armed forces have dominated governments and thus dominated economic policy. As a favorable international economic environment is a core strategic objective of the United States, it makes sense to engage militaries in a constructive dialogue about economic policy, whether or not they physically control the seat of power. Since it is often problematic for civilian diplomats to engage on economic policy with military officers, it makes sense for economic engagement to be conducted, at least in part, through military-to-military channels. This paper suggests a pragmatic approach based on the Theater Engagement Planning process and coordination across agencies using a high level mechanism such as an IWG.

Theater Engagement Planning: The Role for Economics

Introduction

From ancient Rome to modern Nigeria, armed forces have from time-to-time dominated governments and thus dominated economic policy. Control has been direct, through command over the instruments of power, and indirect, through influence. While we would like to believe that military governments are things of the past, the past tells us that such a forecast is foolhardy.

Since a favorable international economic environment is a core strategic objective of the United States, and military governments are common, it makes sense to engage militaries in a constructive dialogue about economic policy, whether or not they physically control the seat of power. Moreover, since it is often problematic for civilian diplomats to engage militaries, it makes sense for economic engagement to be conducted, at least in part, through military-to-military channels. This paper suggests a pragmatic approach based on the Theater Engagement Planning process and coordination with interested domestic private and public players.

Sections that follow will examine the importance of economic affairs in U.S. national security policy, the role of militaries in government, the limits to civilian diplomatic engagement, the theater engagement process, principles for economic engagement, practical strategies for adding economic programs to theater engagement and a mechanism to structure interagency coordination.

The Economy in U.S. National Security Policy

Economic prosperity is a core policy objective for American leaders and thus merits consideration in theater engagement planning. According to the 1999 National Security

Strategy (NSS):

The second core objective of our national security strategy is to promote America's prosperity through efforts at home and abroad. Our economic and security interests are inextricably linked. Prosperity at home depends on stability in key regions with which we trade or from which we import critical commodities, such as oil and natural gas. Prosperity also demands our leadership in international development, financial and trade institutions. In turn, the strength of our military and the attractiveness of our values abroad depend in large part on the strength of our economy.¹

The emphasis on the economy is nothing new. In 1987, Ronald Reagan observed that post-World War II containment was based on a strong defense, positive international economic programs, and a positive political and economic program for the Third World.² Major U.S. interests in 1987 included:

A healthy and growing U.S. economy... [and,] the growth of freedom, democratic institutions, and free market economies throughout the world, linked by a fair and open international trading system.

Major objectives were:

To promote a strong, prosperous and competitive U.S. economy, in the context of a stable and growing world economy.

To ensure U.S. access to foreign markets, and to ensure the United States and its allies and friends access to foreign energy and mineral resources.

¹ President William J. Clinton, A National Security Strategy for a New Century, (Washington: The White House, December 1999), 21.

² President Ronald Reagan, National Security Strategy of the United States, (Washington: The White House, January, 1987), 3.

To promote a well-functioning international economic system with minimal distortions to trade and investment, stable currencies and broadly agreed and respected rules for managing and resolving differences.³

Reflecting changing times, the 1999 NSS focuses on issues like the international financial architecture and sustainable development, as well as the traditional concerns of trade, export promotion, and energy security. Each of these contributes to national security and well-being in a different way.

To illustrate, it is worth examining the new emphasis on finance which arises from the 1997 Asian melt-down. As Paul Dobb and his colleagues put it,

The strategic consequences of the crisis could be far-reaching, including a shift in the regional balance of power that favours China, a weakened and preoccupied Association of South-east Asian Nations (ASEAN), and a possible breakdown in political order in Indonesia.⁴

With regard to Korea, Dobb and his associates concluded that the strategic consequences of the financial meltdown are problematic, as well. What would be the impact on U.S.-Korean relations of American firms buying up the corporate shells of a formerly proud Korean industrial establishment at bargain prices? Moreover, what was the debacle's true cost to U.S. financial institutions? Were they not also bond holders?⁵

In consequence it is clear that a well functioning international economic system is a core U.S. national security concern which implicitly is viewed as an enabler of international stability. Variation in its presentation in the NSS can best be attributed to nuance in Administration perspectives and a changing world situation.

³ Reagan, 5.

⁴ Paul Dobb, David D. Hale, and Peter Prince, "The Strategic Implications of Asia's Economic Crisis", Survival, Summer 1998, 5.

⁵ Looking back on the U.S. Depression of the 1930s, it is evident that that major economic events play out over a generation. Thus today, the process in Asia is still unfolding and its consequences uncertain.

The Military in Government

Where the U.S. has maintained a clear separation of civil and military authority, other societies have not been so structured. Historically, in fact, military governments are quite common. As Gibbon emphasized, praetorian uprisings added considerable spice to the 650 years of the Roman Empire.⁶ Similarly, Chinese history offers an abundance of examples of military-led governments from the Warring States period of Sun Tzu to the contemporary activities of Chiang Kai-Shek.⁷

In recent years, military governments have appeared in every region. Notable recent examples include Ecuador, Ethiopia, Nigeria, Sudan, and Pakistan, to name but a few.

In addition to direct control, militaries often have indirect influence on policy. Some Latin American constitutions, for example, give militaries the explicit duty of intervention when their governments violate constitutional norms. These militaries act as guardians of the "paramount values" of the state against "internal and external excesses," and thus have an explicit, if drastic, veto on policy.⁸

Argentine Lt. General Juan Onganía in 1964 (two years before he became President in a coup) argued that government abuses such as the introduction of "exotic ideologies", or the breakdown of "the balance of power, or the misuse of power" would require the military to "uphold the constitution" as "the last bulwark of nationality."⁹ The exotic ideology of his day was Marxism, but clearly the demonization of "globalization" offered Lt. Col. Hugo Chavez in

⁶ Edward Gibbon, *The Rise and Fall of the Roman Empire*, (New York: C.C. Bigelow & Co., 1911).

⁷ Samuel B. Griffith, *Sun Tzu, The Art of War*, (London, Oxford University Press, 1963), 20-29.

⁸ Brian Loveman, "'Protected Democracy' in Latin America", in *To Sheathe the Sword: Civil-Military Relations in the Quest for Democracy*, eds. John P. Lovell and David E. Albright, (Westport, Conn.: Greenwood Press, 1997), 131-148.

⁹ Loveman, 133.

Venezuela a component of his appeal in his unsuccessful revolt in 1992¹⁰ and his later successful run for office as a civilian in 1999.¹¹

The former Eastern Bloc also presents a potential problem in this dimension. Constantine Daropoulos and Adem Chopani posit that “democratization in Eastern Europe is still too young to have become consolidated.” If economies fail, “the military may be tempted to rethink its strategy” of staying on the sidelines, and presumably would intervene to change economic direction, not to mention political institutions.¹²

Of course coups are not just about abstract economic policy; dissatisfaction with corruption in government is another common theme, and one with which the United States is also concerned. This was a central justification for the recent coup in Pakistan. It also played in uprisings in Venezuela in 1992 and Ecuador in 2000.¹³

Corruption, however, is more than a petty crime. Much of it results from a choice of dirigiste policies (the opposite of reliance on markets) which create numerous opportunities for bribery. Once established, such practices are extraordinarily difficult to root out.

In short, whether directly through coups or indirectly in the background, militaries in much of the world wield significant influence on economic policy and just as with civilians, their choice of policy can affect outcomes and hence U.S. strategic objectives. Thus

¹⁰ John D. Martz, “Contrasting Military Roles in Democratization: Colombia and Venezuela”, in Lovell and Albright, 15-31.

¹¹ Anonymous, “The Americas” Crossfire”, The Economist, February 19, 2000. Ann Arbor, Mi.: ProQuest. (April 13, 2000).

¹² Daropoulos, Constantine and Adem Chopani, “Departyizing and Democratizing Civil-Military Relations in Albania,” in Lovell and Albright, 65-79. The causes of military coups is a literature in and of itself, but tangential to this paper’s concerns. A very interesting piece by Karen Remmer rejects an overly economic explanation in favor of the robustness of adequately functioning democracy. See, “The sustainability of political democracy: Lessons from South America”, Comparative Political Studies, Beverly Hills, Sage Publications, December 1996. Another perspective can be found in Errol A. Henderson’s, “The Impact of Culture on African Coups d’etat, 1960-1997”, World Affairs, Summer 1998, Ann Arbor: ProQuest. (April 13, 2000).

economic engagement should seek to expose military officers to an understanding of the lessons learned of modern economics, with the expectation that if they are some day in positions of authority, they will at least be able to recognize policies that serve their nation's interests and those that do not.

Isn't this State Department's Business?

Stated bluntly, civilian embassy officers typically do not engage on most economic policy issues with foreign military leaders. Ambassadors, of course, have regular contacts, but in the economic arena the most likely issue to surface, if any, is trade advocacy.

Similarly at the working level, contacts are rare on economic policy issues. When they do occur their substantive focus, if any, is also trade advocacy. The segmentation is symbolically apparent at receptions and other Embassy functions where each section hives off with "their" contacts – economic/commercial officers with economic/business leaders; political officers with political leaders; and military attachés predominantly with their counterparts.

The U.S. Information Agency (USIA) notably does reach out to the military as well as to other elites. Activities include distribution of journals, satellite-based conferencing and seminars. Host country military elites as well as civilians do participate in programs, but the emphasis is generally quite diffuse.

In addition to these limitations, civilian diplomat-foreign military contacts also may be constrained by formal and informal practices minimizing contact. Stated simply, many foreign governments fear that diplomats will attempt subversion.

¹³ Jason Booth, "Pakistan Stocks Have Soared More than 70% Since October in Wake of Military Takeover," Wall Street Journal, New York, March 27, 2000, Ann Arbor: ProQuest, (April 13, 2000).

In short, under current practice, foreign militaries are not often directly engaged on questions of economic policy and given limitations in many countries, civilian embassy experts will not often have enough access to make a difference. The solution is to include economic engagement under theater engagement practices.

Theater Engagement - What is it?

Concern with engagement and shaping, writ large, has long been a feature of peacetime military strategy. In the early 20th Century, the around-the-world cruise of the Great White Fleet was a notable precursor to modern efforts. It served the symbolic purpose of announcing America's arrival to the stage of international politics and the practical purpose of deterrence of potential competitors such as Germany.

With the collapse of the Soviet Empire and the end of the Cold War, engagement developed as an important instrument for regional Commanders in Chief (CINCs). Central Command (CENTCOM) and European Command (EUCOM) logically were very active, involving Ambassadors, country teams, and the general interagency community to mobilize resources to shape and engage on the extraordinary transition that was taking place.¹⁴

As the lines of a new defense strategy became apparent, the impact of engagement on operations tempo and thus on readiness became apparent. In consequence, the Chairman of the Joint Chiefs of Staff proposed the development of a formal planning process to tie engagement to strategic objectives as laid out in the National Security Strategy.¹⁵ This in turn would permit engagement to be integrated with the Joint Strategic Planning Process (JSPS)

¹⁴ Mary L. Scala, "Theater Engagement Planning: An Interagency Opportunity," (Newport, Rhode Island: Naval War College, 18 May 1998), 3.

¹⁵ Scala, 4-5.

and the Planning, Programming, and Budgeting System (PPBS).¹⁶ Most importantly, it would permit a DOD-wide aggregation of CINC demands on the services in order to establish bounds on operations tempo.

The formal DOD-wide Theater Engagement Plan (TEP) process formally came into being with the publication in February 1998 of a JCS guide for CINCs and other "executive agents" with regional responsibilities.¹⁷ Per the guide, TEPs are developed pursuant to Joint Strategic Capabilities Plan (JSCP) planning guidance and reviewed by the Chairman of the JCS who integrates them into a "global family of engagement plans". The family of plans is forwarded to SecDef "for review" and interagency coordination, as required. The review is to ensure that the plans follow "national objectives" and are globally "sustainable".¹⁸

Economic factors are to be considered explicitly in the planning effort, but are not explicitly actionable, after all they are not "military" in the traditional sense. According to the TEP instructions, CINCs are to:

Address the economic situation in the theater and regions and, in key countries, focusing on the impact of economic factors on security matters. Identify short- and long-term trends that will impact the CINC's engagement strategy.¹⁹

Tracking the NSS, JSCP planning guidance suggests that economic issues are important to regional stability, but naturally secondary to warfighting.

The primary purpose of the U.S. Armed Forces is to deter threats of organized violence against the United States and its interests, and to defeat such threats should deterrence fail.²⁰

¹⁶ Scala, 5.

¹⁷ Joint Staff, Theater Engagement Planning, (CJCSM 3113.01), Washington, D.C.: 1 February 1998.

¹⁸ Joint Staff, A-1 & A-2.

¹⁹ Joint Staff, C-4.

²⁰ Joint Chiefs, A-d.

Thus for one region, the JSCP proposes a vision of a “region at peace where the spread of democracy, respect for human rights and economic growth have produced a level of stability...”²¹ and in another case, “...a region at peace where a stable security environment promotes economic prosperity and democratic reform.”²² Thus, economic prosperity is recognized as a desirable end-state, but the role of theater engagement in promoting prosperity is not addressed.

Principles of Economic Engagement

While economic engagement does not intend to produce Ph.D. economists, it does make sense for it to be guided by accepted economic lessons-learned. The following, which has been argued by Joseph Stiglitz and Lyn Squires, is an example of the kind of principles that would be helpful in developing a program:

Entrepreneurs do not invest where government economic policy is unstable.

Economic policy includes a “transparent and effective legal and judicial system”

Competition benefits all the citizens of nations; protection, even in a good cause, yields costly monopolies.

State production of goods and services is inefficient.

Government can play a legitimate role in defense, redistribution, maintenance of the legal and judicial system, regulation of markets and protection of the environment.²³

Stiglitz and Squires also suggested that management of the financial sector is an area where a number of different models of policy are in play. On the one hand, all economists would agree that cronyism is to be avoided and transparency encouraged; on the other, there is divergence

²¹ JSCP, E-B-9.

²² Joint Chiefs of Staff, E-B-17.

on the benefits of openness and on the degree of regulation needed to assure the integrity of the system.

Given these guidelines, it is then possible to design practical engagement programs.

Nuts and Bolts of Economic Engagement²⁴

First, theater economic engagement need not be focused on the militaries of the developed industrial democracies. These nations' basic economic structures rely on markets; they are reasonably open to trade; their financial systems are robust; and their militaries stay out of politics. Consequently, there is little to be gained by focusing efforts on them.

Second, economic engagement can be done at reasonable cost. CINCs can draw on significant extra-budgetary domestic resources by engaging interested U.S. constituencies and involving the full gamut of USG agencies which operate internationally. The following sections illustrate possibilities for economic engagement based on approaches used by U.S. Embassies as well as current CINC programs.

Identify Objectives

Economic objectives can be identified country-by-country using the State Department's Congressional Presentation,²⁵ and validated through contacts with Ambassadors and country teams. Country team comments can be managed through annual regional TEP planning meetings with representation from all concerned missions. Appropriate high level

²³ Joseph E. Stiglitz, and Lyn Squire, "International Development: Is it Possible?", Foreign Policy, Spring, 1998, Ann Arbor: ProQuest, (April 13, 2000) 3-5.

²⁴ This discussion models the experience of civilian agencies overseas and domestically in their attempt to involve relevant communities in support of economic policy activities.

²⁵ Secretary of State Madeline Albright, Congressional Presentation for Foreign Operations, FY-99, Office of Resources, Plans and Policy, (Washington: US Department of State, 1999).

Washington personnel could be invited to provide the policy impetus required to assure cooperation. Moreover, the CINC planning staff could also call embassy economic specialists directly for advice, or alternatively work through military attachés, whenever additional information is needed.

Network

Objectives in hand, CINCs could then work to develop broad-based liaison groups. In targeting the effort, Departments of Commerce and Agriculture representatives as well as country teams could help identify appropriate civic-minded individuals, businesses, business groups, NGOs, and IGOs. State and local government leaders would also be important players. The National Guard State Partnership Program (SPP) offers another vital resource as do universities and colleges either geographically connected with the CINC or programmatically connected because of the regional interests of faculty. In short, a multitude of private and public organizations at the state, local, and national levels can support CINC efforts.

Visitor Programs

Given a broad web of relationships, U.S.-based visitor programs could be tailored to the requirements of a CINC's guests. For example, a foreign officer interested in global financial markets because of the Asian melt-down, could be briefed by an international banker whose institution is active in his country. Academic experts or even representatives of the Federal Reserve could provide a perspective on standards for financial sector regulation. State, Treasury or law enforcement officials might provide a cautionary note on money-laundering.

Similarly, if investment were of interest, a visitor could call on foreign direct and portfolio investment managers as well as on academic experts for their perspective. In a like manner, visitors with civil aviation responsibilities might be given tours of privately managed airports to gain an appreciation of private sector capabilities. Calls on U.S. Immigration and Naturalization Service (INS) offices, U.S. Customs, and Federal Aviation Agency (FAA) representatives could illustrate the feasibility of public-private partnership. Overall, the objective would be to educate by providing practical information as well as overviews for perspective.

While individual programs can be quite effective, group programs could also be considered. One approach would be to hold seminars on the margins of major regional conferences. For these events, a different theme could be chosen each year ranging across the canon of economic issues to include: trade, finance, and development as well as the more difficult questions of ethics, corruption, intellectual property rights, and the legal infrastructure required to support a modern economy.

Formal Education Activities

Besides visitors programs and seminars, formal educational activities can be quite effective, as well. Drawing on contacts in the local academic community, and in state and local government, a CINC might be able to offer militaries in his region of responsibility opportunities for tuition waivers or tuition reductions²⁶ in undergraduate or graduate programs in business administration, public administration and economics. Coordination with USIA representatives at embassies would be essential to ensure that students meet minimum requirements for success. Where a country had sufficient funds, it might even be attractive for

²⁶ In-state tuition can sometimes be offered.

them to develop in-country academic programs using a combination of local and visiting faculty. This practice is not uncommon in the private sector in Latin America; it could be attempted by militaries as well.

Other National Security Concerns – the Environment

Sustainable development and environmental stewardship, the reverse side of the coin of economic development, are other issues of interest for U.S. missions abroad. Regarding environmental stewardship, the U.S. military itself, is doing a credible job of managing its facilities in a responsible fashion. The NGO community can be quite helpful, as well, and is surprisingly flexible in assisting innovative programs. One can imagine The Audubon Society jumping at the opportunity to work with a military from a tropical country to help them in a conservation mission.

Of special note, is the U.S. GLOBE program for international environmental education. Supported by USG agencies and with complete curricula available in several languages, GLOBE has participating schools throughout the world. Using the Internet, the program involves students in the systematic observation of their environment. GLOBE could be an attractive to schools of dependents of militaries in a CINC's region. As a bonus, the program could offer an excellent opportunity for continuing engagement even when units are not deployed, for example by pairing U.S. schools attended by military dependents with similar foreign schools.²⁷

In short, a CINC's U.S. civilian base of interested private and public institutions can offer tremendous support for economic engagement at a reasonable price. Thus cost effective visitors, conference and education programs are within reach.

²⁷ Details on the program are available at www.globe.gov.

Engagement Overseas - Working with the National Guard

The overseas component of the program may be somewhat more costly, but much is possible ranging from seminars to the provision of expert advice. For example CINCs have sophisticated talent available through their National Guard State Partnership Programs. Businessmen, lawyers, members of the judiciary, engineers, scientists, farmers -- in short people from all walks of life who are members of the reserves can assist in a wide range of projects.

The Governor of Illinois, for example, made high caliber legal talent available to the Government of Poland through an SPP and thereby helped to create a new commercial code. This was a natural match given Illinois' large Polish-American population.²⁸ Moreover it has important national security implications, in that the economic health of Poland will be critical in enabling it to play an increasing role in NATO. CINCEUR was instrumental in establishing the relationship.

With USIS & the War Colleges

USIS can also be helpful through its speakers programs. As members of the country team, Military Attachés can request US Information Service (USIS)-sponsored speakers to meet with military staffs as well as with their usual civilian counterparts. In a recent case, USIS funded visits by members of the faculty of the U.S. Naval War College to a counterpart institution in Buenos Aires. The program went so well that subsequent visits were financed by Southern Command (SouthCom).

Built on the ongoing international exchange program common to all of the war colleges, the civil-military team took Naval War College curriculum on the road. Emphasizing

systematic analysis of national security strategy and rational allocation of resources, the program has helped create new civil-military links in Argentina. Thus this program is contributing to the development of democratic values by example and through content. It also contributes to economic security concerns by assisting Argentina in creating a policy, strategy, force planning and military budget process grounded in reality and therefore less likely to make destabilizing demands on the national budget. Of course it also meets the Argentina's central goal of creating a more effective military.²⁹

With State Governments & Other Federal Agencies

Another excellent example of what can be accomplished through state-level contacts is CENTCOM's cooperation with the Arizona-Kazakhstan Partnership. Starting with a sister-cities program which commenced in 1987, Arizona has built programs for people with disabilities, a program for public administrators (with US Agency for International Development [USAID] and USIS support), a student exchange program (University of Arizona - Kazakh State University of World Languages), and a medical exchange program (with USAID funding). The CINC recognized the value of the partnership and assisted with surplus medical equipment and formation of the Arizona National Guard State Partnership Program in 1995. In addition, a consortium of seven Arizona-based mining companies examined the foreign investment climate and proffered conclusions to the Government of Kazakhstan. USAID worked with the Arizona Kazakhstan Partnership Program to examine the feasibility of a Trade and Development Agency initiative, as well.

²⁸ Based on discussions with Col. Arthur "Bill" Finehout, US Army, 4/1/00 - 4/30/00. Col. Finehout was also kind enough to review this section. Any errors, of course, are the author's.

²⁹ Based on conversation with Dr. Richmond Lloyd, Director of the Strategy and Force Planning Course, Naval War College, April, 20, 2000.

With the CINC's support, and building on the Arizona partnership, CENTCOM sponsored a major international earthquake response workshop in Almaty in May, 1999.³⁰ Attendees included participants from the states of Arizona, Louisiana, Montana, Nevada, the Federal Emergency Management Agency (FEMA), the Office of Foreign Disaster Assistance (OFDA - an office of USAID), Central Command (CentCom), NATO, the Red Cross/Red Crescent, and representatives of the governments of Kazakhstan, Kyrgyzstan, Russia, Turkmenistan, Uzbekistan, Ukraine, Moldova, Georgia, Turkey and Sweden. This had a direct payoff for a CENTCOM regional mission --- disaster preparedness, and also benefited the economic mission of helping to build the ties on which to construct an economic relationship.³¹

How to make it happen.

It is clear that economic policy issues can play a role in theater engagement planning and, in fact, already are incorporated whether labeled explicitly or not. They can ride along, as in good will produced by the Disaster Preparedness Seminar run in Almaty, or they can come to the fore, as in courses taught at the War Colleges. Central questions are: how much emphasis should be placed on economic policy aspects of TEP and how to coordinate the process interagency.

³⁰ While not an economic matter, disaster preparedness does lie within the purview of most economic sections, as they are responsible for liaison with USG science and technical agencies. These include: US Geological Service (USGS), the National Institute for Standards and Technology (NIST), the National Institutes of Health (NIH), the National Science Foundation (NSF), the Environmental Protection Agency (EPA), etc. In larger embassies these issues would be handled by a science section. USAID, of course, also plays a central role in this issue through the Office of Foreign Disaster Assistance (OFDA).

³¹ Finehout conversation; Facsimile from the Arizona/Kazakhstan Partnership, February 24, 1999.

The issue of overall guidance and coordination has been addressed in broader fashion in a recently published paper by Ralph Steinke and Brian Tarbet. Referring to the doctrine of *shape, respond, prepare*, they argued that “engagement has taken on virtually equal importance to that of warfighting (respond) and the research, development, and acquisition (prepare now) aspects of our National Military Strategy.”³² Despite the elaborate process put into place to assure that plans are consistent and feasible, they observed that,

Missing from this entire process is a central body or mechanism that will ensure the coherent integration of these national strategies and provide an overarching global engagement plan upon which to base the integration of the regional TEPs.³³

The NSS, they note, states,

Today’s complex security environment demands that all our instruments of national power be effectively integrated to achieve our security objectives.³⁴

To this end, they suggest that appropriate integration be the responsibility of the NSC. Scala, in contrast, suggested that the matter might be better managed through specialized Interagency Working Groups (IWGs).³⁵

A detailed review of these proposals would be the grist for another paper, but rather than embark on a major digression, a few brief comments will be offered. First, any proposal to shift responsibility for the coordination of “engagement” policy in what would be a major new government process faces valid constitutionally-driven turf questions and the inevitable problem of bureaucratic resistance, valid or not.³⁶

³² Ralph R. Steinke and Brian L. Tarbet, “Theater Engagement Plans: A Strategic Tool or a Waste of Time, *Parameters*, Spring 2000, 70.

³³ Steinke and Tarbet, 73-74.

³⁴ Cited in Steinke and Tarbet, 74.

³⁵ Scala, 15.

³⁶ Where does coordination of TEP leave off and diplomacy start? Should TEP be subordinate to civilian diplomatic planning? Who has the final say on policy for a particular country – one that is not in the first tier of White House concerns? One can imagine endless debates over sensitive questions, like these. Thus, unless handled carefully, proposals for high-level reviews run the danger of merely creating additional nodes for

Second, the objective, a well-coordinated, detailed engagement/diplomatic plan across DoD, State, Treasury, Commerce, the Office of the US Trade Representative (USTR), etc. is in all likelihood impractical. After all, the Soviet Union had 70 years to perfect central planning and failed; are we so much better at it? For example, can DoD really cite its PPBS or the Department of State its Mission Program Planning process as examples of efficacy?

Third, to the extent that we over-engage interagency, we can end up under-engaging internationally. Whatever one may believe about the perfectibility of planning, civilian agencies like the State Department are in full "production", i.e. implementing foreign policy flat out every day. As a result, resources taken from policy implementation to create another planning process can be justified if, and only if, the pay-off in policy efficacy is significant. Simply to say that a process is more consistent or coordinated does not mean that the results are better.

This is not to say that coordination is unnecessary, only that it can best be accomplished with a light touch. Rather than attempt to create a "perfect" solution, why not simply satisfice, adopt a solution that works, if imperfectly, and seek to minimize "friction". In fact, missions and CINCs do cooperate successfully all over the world and did so every day well before the TEP came into being. So, rather than over-plan, why not let interagency cooperation at the CINC-Ambassador level continue to use working-level creativity to create activities appropriate to their regions?

Given continuing cooperation, the problem then becomes how to manage lessons-learned, to introduce new ideas (such as economic policy theater engagement) and to assure

interagency policy conflict, conflicts that can best be left unsettled most of the time for most countries. Why not save the effort of a bureaucratic struggle?

that each region has clear guidance. Here Ms. Scala's proposal of IWGs³⁷ offers a good starting point. From the perspective of this paper, a single IWG for coordination would be adequate. It could meet periodically to review programs and develop interagency agreement on what works and what doesn't. Recommendations on where lessons-learned might be applied could be sent to the JCS and to other agencies' executive offices for incorporation into planning efforts. Accountability could be enabled by reviews of implementation which could be forwarded to agencies and possibly the NSC.

This kind of decentralized approach would minimize interagency "friction" and enable coordination. It would produce useful concrete products but would not over-reach. In short it would accomplish reasonable objectives and increase coordination incrementally.

Conclusion

Economic issues are a core national security concern both as they affect the United States and as they affect other countries. Empirically, since militaries rule many countries, it is important to engage them on economic policy questions. The goal is for foreign military leaders to develop a sense of what economic policies will benefit their countries and what policies are less effective. From the U.S. perspective better policy abroad is likelier to yield economic prosperity which enables international economic and political stability, a core NSS objective.

Since USG civilians involved in economic policy issues overseas only have limited contact with military officers, it makes sense to incorporate economic engagement explicitly

³⁷ The proposal outlined here is simpler than Ms. Scala's. She recommends one IWG for Regional Engagement (Scala, 15), one for the development of a global interagency exercise plan (Scala, 17), and the use of the Government Performance Results Act (GPRA) to encourage interagency planning (Scala 18). This

into military channels through the Theater Engagement Process. In fact some is already taking place using simple, cost-effective measures drawing on CINC relationships with relevant groups in the U.S. and with U.S. missions abroad.

The broader issue of interagency coordination could be addressed through an IWG which would draw lessons-learned and seek interagency consensus on direction. Implementation would be the responsibility of each participating agency, but could be reviewed periodically by the IWG. Thus if found desirable, an issue like economic policy engagement could become part of a recommendation to economic policy agencies. For its part the Joint Staff would include it in JSCP planning guidance for CINC action.

In short, economic policy theater engagement is desirable, feasible, cost effective, and in fact already underway. What is needed now is a systematic effort between CINCs and missions at the working level, and between agencies at the policy level, to coordinate and deepen the effort. With some forethought, this initiative could return significant results.

paper's approach implicitly accepts use of GPRA for civilian agencies in addition to the creation of a single IWG. The proposal of an exercise IWG goes beyond the scope of this paper.

Bibliography

Albright, Secretary of State Madeline, Congressional Presentation for Foreign Operations, FY-99, Washington: US Department of State, Office of Resources, Plans and Policy, 1999.

"The Americas - Crossfire", The Economist, February 19, 2000. Ann Arbor: ProQuest, (April 13, 2000).

Booth, Jason, "Pakistan Stocks Have Soared More than 70% Since October in Wake of Military Takeover," Wall Street Journal, New York, March 27, 2000, Ann Arbor: ProQuest, (April 13, 2000).

Chase, Robert S., "Pivotal States and U.S. Strategy," Foreign Affairs, January/February 1996, 33-51.

Clinton, President William J., A National Security Strategy for a New Century, Washington: The White House, December 1999.

Dibb, Paul, David D. Hale, and Peter Prince, "The Strategic Implications of Asia's Economic Crisis", Survival, Summer 1998, 5-26.

Daropoulos, Constantine and Adem Chopani, "Departyizing and Democratizing Civil-Military Relations in Albania," in Lovell and Albright, 65-79.

Finehout, Col. Arthur "Bill" Finehout, US Army, "Conversations" 4/1/00 - 4/30/00.

Gibbon, Edward The Rise and Fall of the Roman Empire, New York: C.C. Bigelow & Co., 1911.

Griffith, Samuel B., Sun Tzu, The Art of War, London, Oxford University Press, 1963.

Henderson, Errol A. "The Impact of Culture on African Coups d'etat, 1960-1997", World Affairs, Summer 1998, Ann Arbor: ProQuest. (April 13, 2000).

Samuel P. Huntington, "The Clash of Civilizations". Foreign Affairs, Summer 1993 22-49.

Joint Chiefs of Staff, Instructional Joint Strategic Capabilities Plan, FY-1998, Washington, D.C., December 1998.

Joint Staff, Theater Engagement Planning, CJCSM 3113.01, Washington: February 1, 1998.

Kaplan, Robert D., "The Coming Anarchy, Atlantic Monthly, February 1994, 44-76.
Lloyd, Dr. Richard, "Conversation", April, 20, 2000.

Lovell, John P. and David E. Albright, eds., To Sheathe the Sword: Civil-Military Relations in the Quest for Democracy, Westport, Conn.: Greenwood Press, 1997.

Loveman, Brian, "Protected Democracy' in Latin America", in Lovell and Albright, 131-148.

Martz, John D., "Contrasting Military Roles in Democratization: Colombia and Venezuela", in Lovell and Albright, 15-31.

Reagan, Ronald, National Security Strategy of the United States, Washington: The White House, January, 1987.

Remmer, Karen, "The sustainability of political democracy: Lessons from South America", Comparative Political Studies, Beverly Hills, Sage Publications, December 1996, Ann Arbor: ProQuest, (March 31, 2000).

Scala, Mary L., "Theater Engagement Planning: An Interagency Opportunity," Newport, Rhode Island: Naval War College, 18 May 1998.

Steinke, Ralph R. and Brian L. Tarbet, "Theater Engagement Plans: A Strategic Tool or a Waste of Time, Parameters, Spring 2000, 69-81.

Stiglitz, Joseph E., and Lyn Squire, "International Development: Is it Possible?", Foreign Policy, Spring, 1998, Ann Arbor: ProQuest, (April 13, 2000).

USTR, "U.S. Membership in the WTO, Supporting American Workers, Farmers, Businesses, Economic Progress and Security," April 12, 2000, <www.ustr.gov/new/wtofact1.html>, (5/11/2000).